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IN SENATE OF THE UNITED STATES,

MAY 24, 1824.

Twice read and referred.

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AN ACT

*To authorize the Secretary of the Treasury to exchange a stock, bearing an interest of five per cent. for certain stocks bearing an interest of six per cent.*

1        *Be it enacted by the Senate and House of Representatives*  
2 *of the United States of America in Congress assembled, That the*  
3 *President of the United States be, and he is hereby, empow-*  
4 *ered to borrow, on or before the first day of April next, on*  
5 *the credit of the United States, a sum not exceeding five mil-*  
6 *lions of dollars, at a rate of interest payable quarter yearly,*  
7 *not exceeding four and one half per centum, per annum, and*  
8 *reimbursable at the pleasure of the Government, at any time*  
9 *after the thirty-first day of December, one thousand eight*  
10 *hundred and thirty-one; to be applied in addition to the mo-*  
11 *neys which may be in the Treasury at the time of borrowing*  
12 *the same, to pay off, and discharge, such part of the six per*  
13 *cent. stock of the United States, of the year one thousand*

14 eight hundred and twelve, as may be redeemable after the  
15 first day of January next.

1       SEC. 2 *And be it further enacted,* That it shall be law-  
2 ful for the Bank of the United States to lend the said sum, or  
3 any part thereof; and it is hereby further declared, that it  
4 shall be deemed a good execution of the said power, to bor-  
5 row, for the Secretary of the Treasury, with the approbation  
6 of the President of the United States, to cause to be consti-  
7 tuted certificates of stock signed by the Register of the Trea-  
8 sury, or by a Commissioner of loans, for the whole or for  
9 any part thereof, bearing an interest not exceeding four and  
10 one half per centum per annum, transferrable and reimburs-  
11 able as aforesaid, and to cause the said certificates of stock  
12 to be sold: *Provided,* That no stock be sold under par.

1       SEC. 3. *And be it further enacted,* That a subscription  
2 to the amount of fifteen millions of dollars, of the six per  
3 cent. stock of the year one thousand eight hundred and thir-  
4 teen, be, and the same is hereby, proposed: for which purpose  
5 books shall be opened at the Treasury of the United States,  
6 and at the several loan offices, on the first day of July next,  
7 to continue open until the first day of October thereafter, for  
8 such parts of the abovementioned description of stock as shall,  
9 on the day of subscription, stand on the books of the Treasu-  
10 ry, and on those of the several loan offices, respectively;  
11 which subscription shall be effected by a transfer to the

12 United States, in the manner provided by law for such trans-  
13 fers, of the credit or credits standing on the said books, and  
14 by a surrender of the certificates of the stock so subscribed.

1     SEC. 4. *And be it further enacted*, That, for the whole  
2 or any part of any sum which shall be thus subscribed, cre-  
3 dits shall be entered to the respective subscribers, who shall  
4 be entitled to a certificate or certificates, purporting that the  
5 United States owe to the holder or holders thereof, his, her,  
6 or their assigns, a sum to be expressed therein, equal to the  
7 amount of the principal stock thus subscribed, bearing an in-  
8 terest of four and a half per centum per annum, payable quar-  
9 terly, from the thirtieth day of September, one thousand eight  
10 hundred and twenty-four, transferrable in the same manner  
11 as is provided by law for the transfer of the stock subscribed,  
12 and subject to redemption, at the pleasure of the United States,  
13 one half at any time after the thirty-first of December, one  
14 thousand eight hundred and thirty-two, and the remainder, at  
15 any time after the thirty-first day of December, one thousand  
16 eight hundred and thirty-three: *Provided*, That no reim-  
17 bursement shall be made, except for the whole amount of  
18 such new certificate, nor until after at least six months' pub-  
19 lic notice of such intended reimbursement. And it shall be  
20 the duty of the Secretary of the Treasury, to cause to be re-  
21 transferred to the respective subscribers, the several sums by

22 them subscribed, beyond the amount of the certificates of five  
23 per cent. stock, issued to them, respectively.

1       SEC. 5. *And be it further enacted,* That the same funds  
2 which have heretofore been, and now are, pledged by law for  
3 the payment of the interest, and for the redemption or reim-  
4 bursement of the stock which may be created or subscribed  
5 by virtue of the provisions of this act, shall remain pledged  
6 in like manner for the payment of the interest accruing on the  
7 stock created by reason of such subscription, and for the re-  
8 demption or reimbursement of the principal of the same. It  
9 shall be the duty of the Commissioners of the Sinking Fund  
10 to cause to be applied and paid, out of the said fund, yearly,  
11 and every year, such sum and sums as may be annually want-  
12 ed to discharge the interest accruing on the stock which may  
13 be created by virtue of this act. The said Commissioners  
14 are hereby authorized to apply, from time to time, such sum  
15 and sums, out of the said fund, as they may think proper,  
16 towards redeeming, by purchase or by reimbursement, in con-  
17 formity with the provisions of this act, the principal of the  
18 said stock, and such part of the annual sum of ten millions  
19 of dollars, vested by law in the said Commissioners, as may  
20 be necessary, and wanting for the above purposes, shall be,  
21 and continue appropriated to the payment of interest and  
22 redemption of the public debt, until the whole of the stock

23 which may be created under the provisions of this act, shall  
24 have been redeemed or reimbursed.

1       SEC. 6. *And be it further enacted,* That nothing in this  
2 act contained shall be construed in any wise to alter, abridge,  
3 or impair, the rights of those creditors of the United States  
4 who shall not subscribe to the loan to be opened by virtue of  
5 this act.

*May 24, 1824.*—Passed the House of Representatives.

M. ST. CLAIR CLARKE, C. H. R.